



Way Forward of Effective Development Cooperation in light of VDCAP and SWG reviews

By

H.E. Phonevanh Outhavong

Vice Minister, Ministry of Planning and Investment

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Content of the presentation

1. Background of the VDCAP mid-term review (2021) and SWG review (2022)
2. Key priorities for remaining period of the VDCAP (2022-2025)
3. SWG way forwards



1. Background of the VDCAP mid-term review (2021) and SWG review (2022)



VDCAP Mid-term Desk Review (2021)

- In 2021, the Government carried out a Mid-Term Desk Review (MTR) of VDCAP Implementation
- The MTR summarizes the achievements and the lessons learnt since the adoption of the Declaration during the 12th High Level Round Table Meeting in 2015
- Key findings are based on various monitoring and survey reports produced during the first half of the implementation, including the 2019 global survey on effective development cooperation, 2019 mutual accountability survey, and other relevant reports



SWG Review (2022)

Aim

- Take stock of what has been achieved so far [with the SWGs]
- Develop recommendations on how to strengthen the benefits from SWGs for government and DPs and their contribution to the NSED

- *What works, what does not and why?*
- *How and whether the SWGs contribute to the six pillars of the 9th National Socio-Economic Development Plan (NSED)*
- *what capacities the SWGs need to become functionally effective?*

The findings of the SWGs review were discussed during a meeting of the SWG Chairs and Co-Chairs on 16 November 2022.



2. Key priorities for remaining period of the VDCAP (2022-2025)



VDCAP Principle 1 – Ownership

1. Ensuring Common understanding of M&E framework and result based planning
2. Greater integration between government-wide and sectoral plans and ensure there is budget allocated to prioritized development priorities and programs
3. Greater consistency in ministerial sectoral plans



VDCAP Principle 2 – Alignment

1. Greater efforts to accelerate the PFM reform initiatives
2. Substantial reforms need to be undertaken in order to improve the quality of country systems to ultimately increase confidence in national systems.
3. The use and strengthening of country systems should be placed within the overall context of national capacity development for sustainable outcomes

VDCAP Principle 3 – Harmonization and Simplification



1. Improving common understanding of PBAs
2. Actively promoting complementarity and a division of labor approach across sectors in a coordinated manner
3. The SWGs are an appropriate mechanism to ensure relevance and coordination of analytical work. Revision of TOR of each SWG needed
4. Improving delegation of power from HQ to country offices



VDCAP Principle 4 – Inclusive Partnership for Development Results

1. Instituting broad-based and robust consultation mechanisms
2. RTP and SWGs (representation way of engagement vs systematic process)
3. Resources from partner supported projects and programs could be reallocated to ensure that the overall coherence and coordination functions are adequately maintained

VDCAP Principle 5 – Transparency, Predictability & Mutual Accountability



1. Increasing mutual accountability for results
2. Increasing the predictability and transparency of development financing
3. Improving the transparency and quality of budgetary information
4. Mutual accountability should support rather than undercut domestic accountability institutions
5. Improving level of aid predictability through more accurate ODA figures

VDCAP Principle 6 – Domestic Resource Mobilization



1. Domestic resource mobilization within the VD framework refers to ensuring adequate mobilization of government revenues which is required for leveraging development cooperation funds for investments in various development activities
2. The reduced government fiscal space has meant that mainly social sectors important to “leaving no-one behind” have seen levels of planning government expenditure drop
3. As majority of Government’s contribution to development projects/programs is in kind, initial discussion with the Government has been made to explore co-funding contribution in cash (at minimal level)

VDCAP Principle 7 – South-South Cooperation, Triangular Cooperation & Knowledge Sharing



1. No one-size-fits-all approach and a comprehensive national approach to South-South and Triangular Cooperation, including a clear process and content, is crucial
2. National ownership is key for enhancing the effectiveness of SSC programs and initiatives
3. SSC requires that countries collaborate with each other as equal partners
4. SSC works best when all partners involved have the right information and data
5. Greater efforts needed to further involve local authorities in the implementation, monitoring and reporting of development outcomes of SSC



VDCAP Principle 8 – Business as a Partner to Development

1. Put more efforts on finding common ground on the issues that are considered of mutual interests
2. Redouble efforts are needed to include the full diversity of private sector stakeholders in dialogue such as Lao Business Forum which needs to have a clearer link to the Round Table Process
3. Government can engage the private sector beyond the mechanism of PPD

Immediate next steps

1. Effective Development Global Submit (12-14 December 2022)



2. Revisit the 14 actions to align with the new global partnership monitoring framework



3. RTP retreat (early 2023)



4. Some of key substantive work (2023) to inform VDCAP revitalization

1. Mid-Term Review of 9th NSEDP
2. SDG VNR 3 preparation
3. Doha Conference on LDC



5. RTIM 2023





3. SWG way forwards based on the SWG review (2022)

Actionable recommendations



The SWG Review (2022) provide insights on how various partners perceive the functionality of the mechanism and how it contributes to the overall national development agenda. Key recommendations from the consultant for considerations

- 1. Pre-condition: SWG ‘organizing work’** should be in the groups’ own interests – capacity for group to deliver value to its own members, designate roles, build the group, etc.
- 2. RTM discussion on requests for increased participation and involvement of local decision makers in SWG work:** how to deliver on this expectation? One option is to ensure shadow consultations in preparation for the RTMs?
- 3. Local consultations “Provide capacity building in technical knowledge and English”** so as to be able to develop/contribute to project development and accountability for results



Actionable recommendations

4. **Transparency on donor conditionalities**, better communication as to who will control project resources.
5. MPI planning priorities (**consolidated planning functions with SWG secretariats**) should be on the agenda in SWG meetings .
6. **Bring informal organizing work into the light** – e.g., DPs that meet to prepare for SWGs should be encouraged to continue to do so but share good practices for replication.

Actionable recommendations



7. Identify all project managers, M&E officers and TA in all sectors and task them with **part time activities to help the sector as a whole** (e.g., establishing standard reporting, following up on new ideas, advocating for participation in the SWGs).
8. SWGs for **Governance as a platform** to include discussions on issues related to vulnerable groups of the population



Next steps

1. Establish a taskforce which is led by MPI including representation from key line ministries, development partners, the private sector, and civil society with the support of the UN to develop a detailed proposal on revitalise the SWGs.
2. Organize taskforce meetings to discuss the proposal.
3. Complete its work within Q2 of 2023, with a proposal to be presented at a Roundtable Retreat



Thank You